



Welcome to Indiana

Economic Growth Region 2 Highlights

2005 Edition

This publication is provided annually for each of Indiana's 92 counties, 12 Economic Growth Regions, and the State of Indiana.

Each publication includes a variety of demographic information: population, labor force estimates, industry employment, industry annual average wages, and firms and employment by size.

If you need further information about your area, you may call the regional analyst listed below. If you need labor market information for other areas, you will find a map of the regional analysts at the back of this publication and posted on our Internet website under Resources.

Additional labor market information is available on our Internet website. Our website address is <http://www.in.gov/dwd/inews> or for North/Northwest Indiana go to <http://www.nidataplus.com>.

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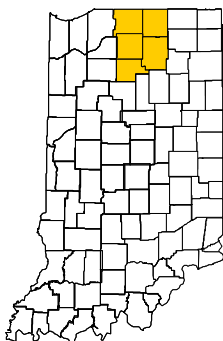
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Region 1: Lake, Porter, LaPorte, Newton, Jasper, Starke, and Pulaski counties.

Region 2: St. Joseph, Elkhart, Marshall, Fulton, and Kosciusko counties.

County Highlights is a Research and Analysis publication of the Indiana Department of Workforce Development



SUMMARY OF INDIANA ECONOMIC GROWTH REGION 2 LABOR MARKET

The Census Bureau has estimated the population of Region 2 for 2004 as 601,179 people. This total was an increase of 13,133 or 2.2 percent from the 2000 Census total of 588,046. The 2004 estimated population made up 9.6 percent of the total Indiana State estimated population of 6,237,569.

As of the 2000 Census 294,485 people twenty-five years of age or over were high school graduates and/or had post-high school education. That represented 80.0 percent of the twenty-five and up region population of 368,239. Of that population 69,405 or 18.8 percent were four year college graduates or greater. In the more recent year of 2004, of the 5,488 persons graduating high school, 4,185 or 76.3 percent intended to go on to higher education.

The region "labor force" represents workers who reside in the region no matter where they work. In 2003 persons living in but commuting to work out of the region was 10,502 or 3.0 percent of the labor force. The outside area where the largest number of Region 2 residents went to work was the State of Michigan. The region "work force" represents all workers employed in the region no matter where they reside. In 2003 persons commuting to work into the region from outside areas was 31,801 or 8.2 percent of the work force. The area sending the most number of persons into the county to work was the State of Michigan.

The area estimated average unemployment rate for 2004 was 4.6 percent, below the State of Indiana's average 5.2 percent. The region's unemployment rate was based on an estimated average residential labor force of 306,110. Of that labor force 291,900 were employed and 14,210 were unemployed.

For the year 2004 there were 305,701 jobs at industries within this five county region. The largest employing industry in the region was Manufacturing having 34.4 percent of the total industry employment with Retail Trade second at 10.0 percent. The industry showing the most growth in workers over a three year period to 2004 was Manufacturing increasing by 5,588 workers or 5.6 percent above the 99,665 total workers in that industry in 2001. Of employers in the county 18.3 percent employed 20 or more workers and they represented 80.8 percent of all in-county employment.

The 2004 all industry average earnings for Region 2 was \$34,314 per year versus the overall Indiana average of \$34,692. The region average wage represented an increase of 12.3 percent over 2001's region industry average wage of \$30,555. Fifteen of Region 2's 20 industry sectors (including government) had annual average earnings lower than the Indiana average for those industries. The region's Management of Companies and Enterprises industry had the highest average earnings at \$72,929 per year, with Utilities second at \$59,211, while the industry with the lowest annual earnings number was Accommodation and Food Services at \$10,893. The same industries statewide paid an average \$66,805, \$62,844, and \$11,572 per year, respectively.

POPULATION

ECONOMIC GROWTH REGION 2 POPULATION

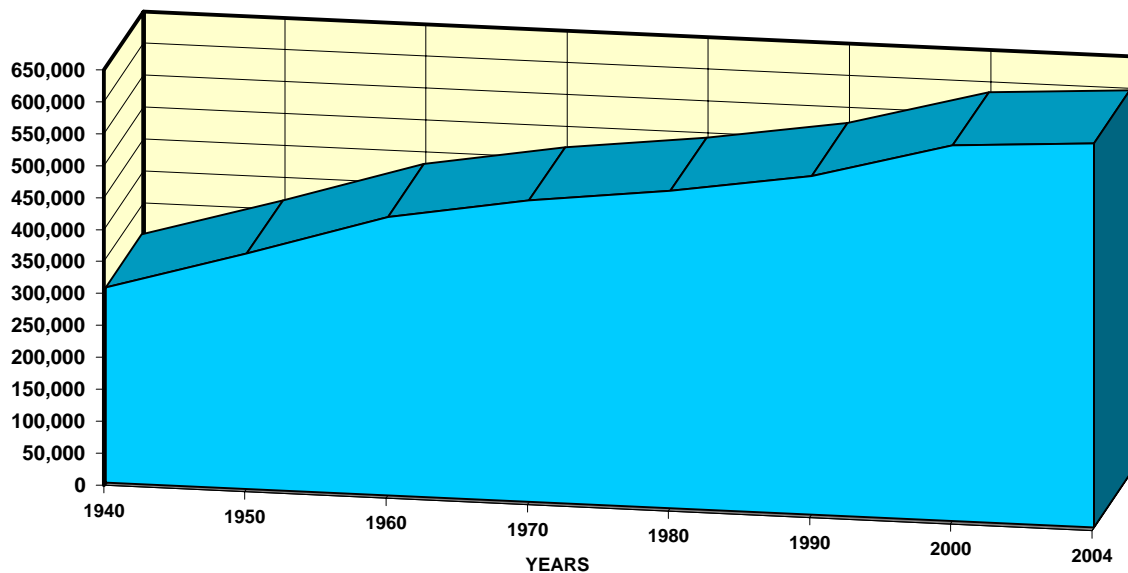
REGION AND COUNTY POPULATION

REGION AND COUNTIES	1990	2000	2004	CHANGE 1990 TO 2000		CHANGE 2000 TO 2004	
				#	%	#	%
REGION 2	529,566	588,046	601,179	58,480	11.0%	13,133	2.2%
ELKHART CO	156,198	182,791	191,768	26,593	17.0%	8,977	4.9%
FULTON CO	18,840	20,511	20,581	1,671	8.9%	70	0.3%
KOSCIUSKO CO	65,294	74,057	75,667	8,763	13.4%	1,610	2.2%
MARSHALL CO	42,182	45,128	46,732	2,946	7.0%	1,604	3.6%
ST. JOSEPH CO	247,052	265,559	266,431	18,507	7.5%	872	0.3%

REGION 2 POPULATION 1940 TO 2004

YEAR	POPULATION	CHG FROM PRIOR YR	% CHANGE
1940	305,530	NA	NA
1950	368,605	63,075	20.6%
1960	435,177	66,572	18.1%
1970	471,453	36,276	8.3%
1980	496,992	25,539	5.4%
1990	529,566	32,574	6.6%
2000	588,046	58,480	11.0%
2004	601,179	13,133	2.2%

POPULATION OF REGION 2 TO 2004



EDUCATION

ECONOMIC GROWTH REGION 2 EDUCATION DATA

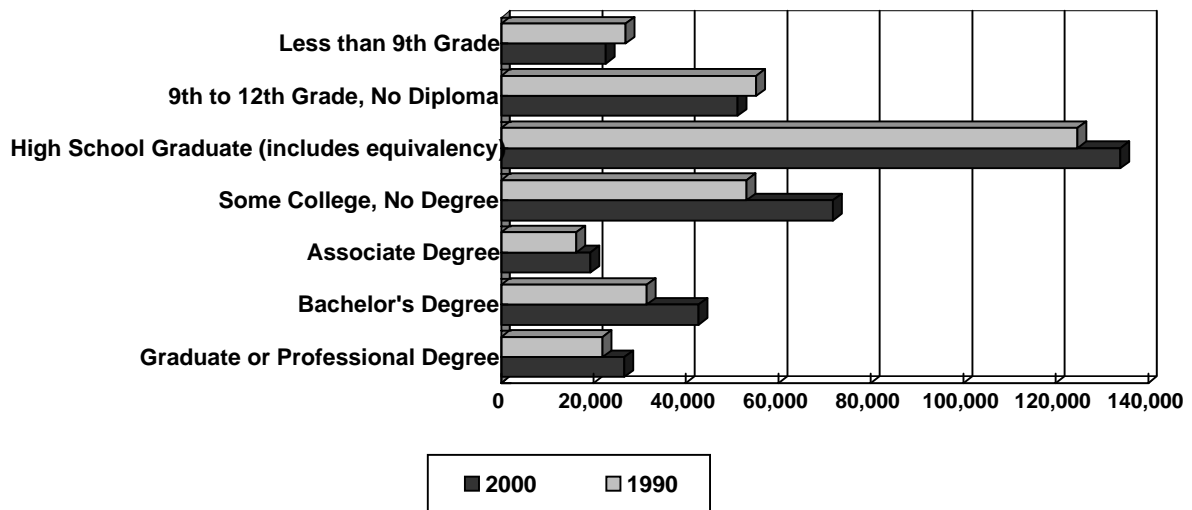
2004 H.S. GRADUATE HIGHER EDUCATION INTENT

EDUCATIONAL INTENT	NUMBER	%
Graduated High School in 2004	5,488	100%
Total to Higher Education	4,185	76.3%
Four-Year Institution	3,209	58.5%
Two-Year Institution	599	10.9%
Vocational/Technical Institution	377	6.9%

EDUCATIONAL ATTAINMENT - POPULATION 25 YEARS & OVER

EDUCATION	1990		2000	
	NUMBER	%	NUMBER	%
Less than 9th Grade	26,992	8.2%	22,650	6.2%
9th to 12th Grade, No Diploma	55,129	16.7%	51,104	13.9%
High School Graduate (includes equivalency)	124,645	37.8%	133,936	36.4%
Some College, No Degree	53,060	16.1%	71,850	19.5%
Associate Degree	16,315	4.9%	19,294	5.2%
Bachelor's Degree	31,559	9.6%	42,716	11.6%
Graduate or Professional Degree	21,983	6.7%	26,689	7.2%
TOTAL - POPULATION 25 YEARS & OVER	329,683	100%	368,239	100%

REGION 2 EDUCATIONAL ATTAINMENT 2000 Versus 1990



Sources: Indiana Business Research Center - Stats Indiana, and U.S. Census Bureau

LABOR FORCE

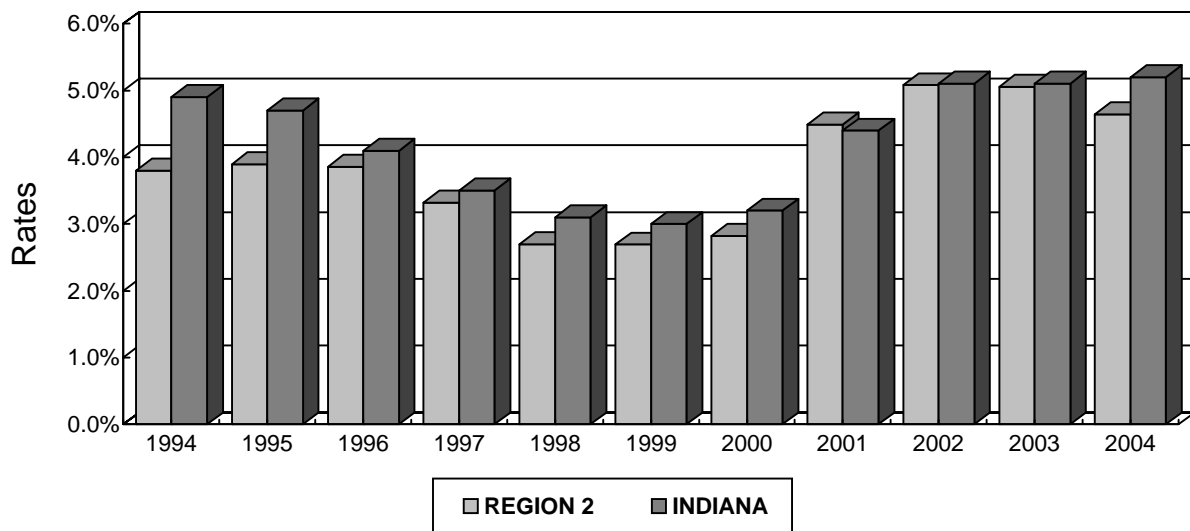
ECONOMIC GROWTH REGION 2 LABOR FORCE

(1994-2004)

YEAR	LABOR FORCE	EMPLOYED	UNEMPLOYED	REGION 2 RATE	INDIANA RATE
1994	301,680	290,210	11,470	3.8%	4.9%
1995	314,190	301,950	12,240	3.9%	4.7%
1996	306,710	294,870	11,840	3.9%	4.1%
1997	307,930	297,710	10,220	3.3%	3.5%
1998	307,080	298,790	8,290	2.7%	3.1%
1999	307,720	299,435	8,285	2.7%	3.0%
2000	305,960	297,325	8,635	2.8%	3.2%
2001	301,920	288,370	13,550	4.5%	4.4%
2002	299,070	283,880	15,190	5.1%	5.1%
2003	300,905	285,700	15,205	5.1%	5.1%
2004	306,110	291,900	14,210	4.6%	5.2%

Data for some years have been revised from earlier published numbers for those years.

REGION 2 & STATE OF INDIANA Average Unemployment Rates 1994-2004



Source: Indiana Dept of Workforce Development, Local Area Unemployment Statistics

COMMUTING PATTERNS

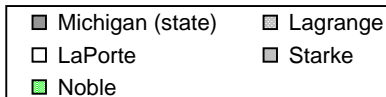
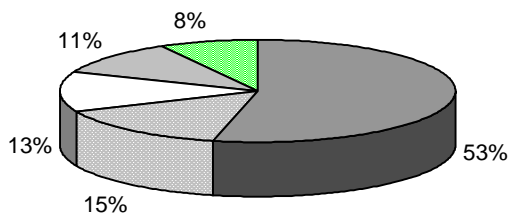
INDIANA ECONOMIC GROWTH REGION 2 COMMUTING PATTERNS: YEAR 2003

Number of persons who live in the region and work (labor force)	369,453
Number of persons who live and work in the region	357,897
Number of persons who live out of and work in the region	31,801
Total number of persons who work in the region (work force)	389,698

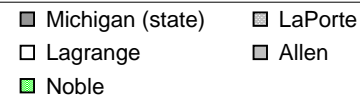
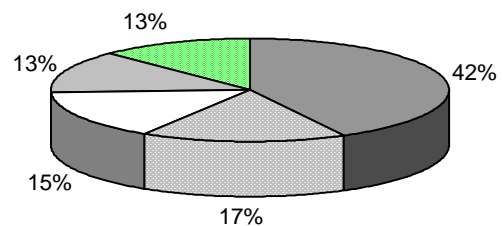
Top five counties sending workers INTO Region 2:		
Michigan (state)	12,618	
Lagrange County	3,499	
LaPorte County	2,972	
Starke County	2,566	
Noble County	1,909	
Total of above	23,564	equals 6.0% of work force

Top five counties receiving workers FROM Region 2		
Michigan (state)	2,632	
LaPorte County	1,045	
Lagrange County	950	
Allen County	817	
Noble County	786	
Total of above	6,230	equals 1.7% of labor force

WORKERS INTO REGION 2
From Top 5 Counties / States

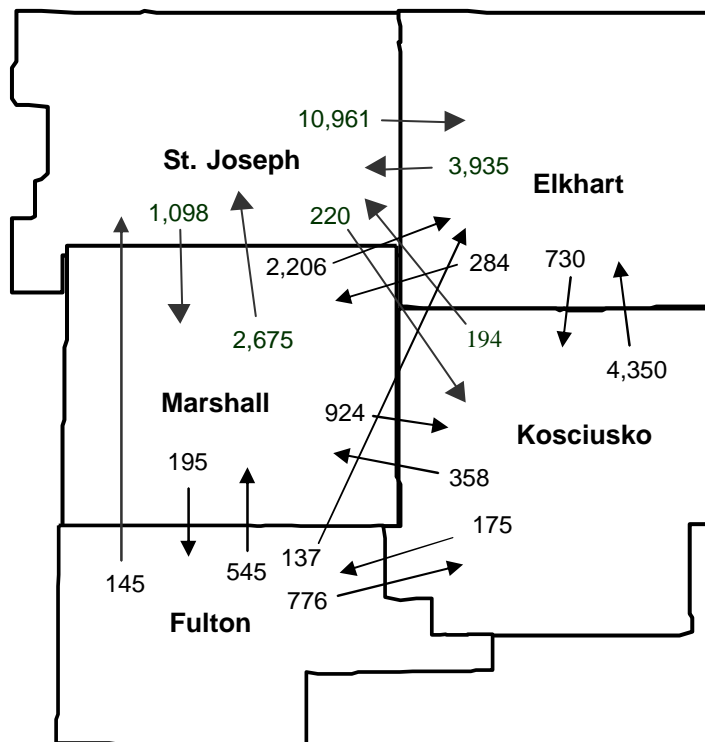


WORKERS OUT OF REGION 2
To Top 5 Counties / States



COMMUTING MAP

Region 2 Commuting Patterns 2003 Within the Region



Data source: Indiana Dept. of Revenue
Based on income tax returns for Tax Year 2003

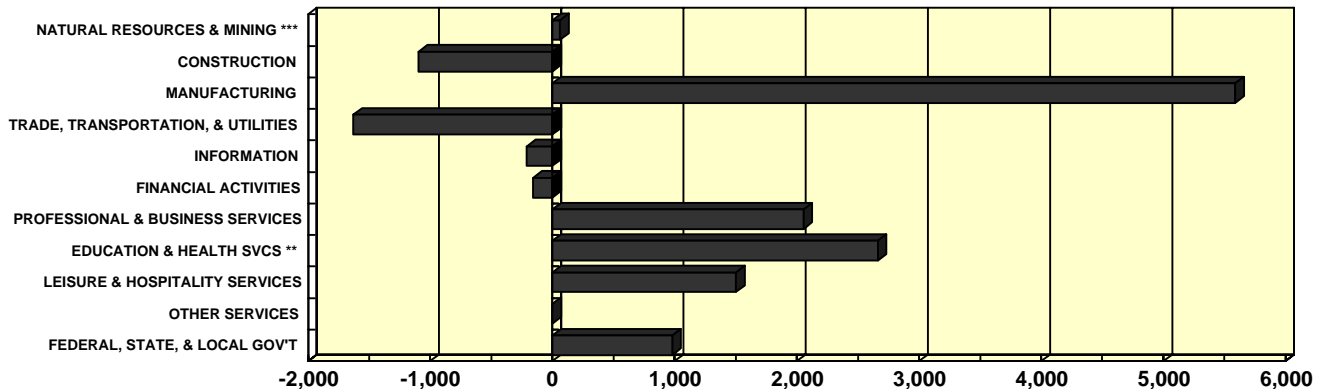
Noncontiguous state counts not included.
Counts of under 100 are not included.

INDUSTRY EMPLOYMENT

ECONOMIC GROWTH REGION 2 AVERAGE EMPLOYMENT BY INDUSTRY 2001 to 2004

INDUSTRY SECTORS (NAICS)*	2004 NO. OF FIRMS	AVERAGE EMPLOYMENT				NUMERICAL CHANGE 2001-2004	PERCENT CHANGE 2001-2004
		2001	2002	2003	2004		
TOTAL EMPLOYMENT **	14,126	297,137	294,172	296,197	305,701	8,564	2.9%
NATURAL RESOURCES & MINING	115	1,133	1,096	1,057	1,196	63	5.6%
Agriculture, Forestry, Fishing, & Hunting	103	981	943	963	1,093	112	11.4%
Mining	12	152	153	94	103	-49	-32.2%
CONSTRUCTION	1,628	13,800	12,892	12,366	12,704	-1,096	-7.9%
MANUFACTURING	1,660	99,665	99,109	100,133	105,253	5,588	5.6%
TRADE, TRANSPORTATION, & UTILITIES	3,509	52,161	50,322	50,282	50,532	-1,629	-3.1%
Wholesale Trade	1,072	13,318	13,110	13,330	13,592	274	2.1%
Retail Trade	2,011	32,811	31,463	31,270	30,678	-2,133	-6.5%
Transportation & Warehousing	409	5,378	5,141	5,107	5,682	304	5.7%
Utilities	17	654	608	575	580	-74	-11.3%
INFORMATION	180	4,151	3,953	3,795	3,939	-212	-5.1%
FINANCIAL ACTIVITIES	1,316	11,362	11,050	11,206	11,205	-157	-1.4%
Finance & Insurance	855	8,053	7,819	7,892	7,815	-238	-3.0%
Real Estate, Rental & Leasing	461	3,309	3,231	3,314	3,390	81	2.4%
PROFESSIONAL & BUSINESS SERVICES	1,790	19,573	19,628	20,162	21,628	2,055	10.5%
Professional & Technical Services	1,088	7,420	7,222	7,269	7,132	-288	-3.9%
Management of Companies & Enterprises	75	2,110	2,091	2,136	2,132	22	1.0%
Administrative & Waste Services	627	10,043	10,315	10,757	12,364	2,321	23.1%
EDUCATION & HEALTH SERVICES **	1,140	54,046	54,775	55,856	56,708	2,662	4.9%
Educational Services **	157	25,233	25,761	26,255	26,625	1,392	5.5%
Health Care & Social Assistance **	983	28,813	29,014	29,601	30,083	1,270	4.4%
LEISURE & HOSPITALITY SERVICES	1,261	20,835	21,226	21,375	22,337	1,502	7.2%
Arts, Entertainment, & Recreation	160	2,086	2,136	2,242	2,313	227	10.9%
Accommodation & Food Services	1,101	18,749	19,090	19,133	20,024	1,275	6.8%
OTHER SERVICES	1,277	8,585	8,273	8,078	8,585	0	0.0%
FEDERAL, STATE, & LOCAL GOVERNMENT	329	27,197	27,374	27,786	28,178	981	3.6%

Change in Region 2 Industry Employment 2001 To 2004



* NAICS - North American Industry Classification System. ** Includes private and government employment in this industry.

*** Data suppressed due to confidentiality restrictions.

Notes: 1. Data may not add to total due to rounding, suppression of confidential numbers, inclusion of unclassified data, and duplication of government employment numbers. 2. Industries listed are "private industry" unless otherwise noted.

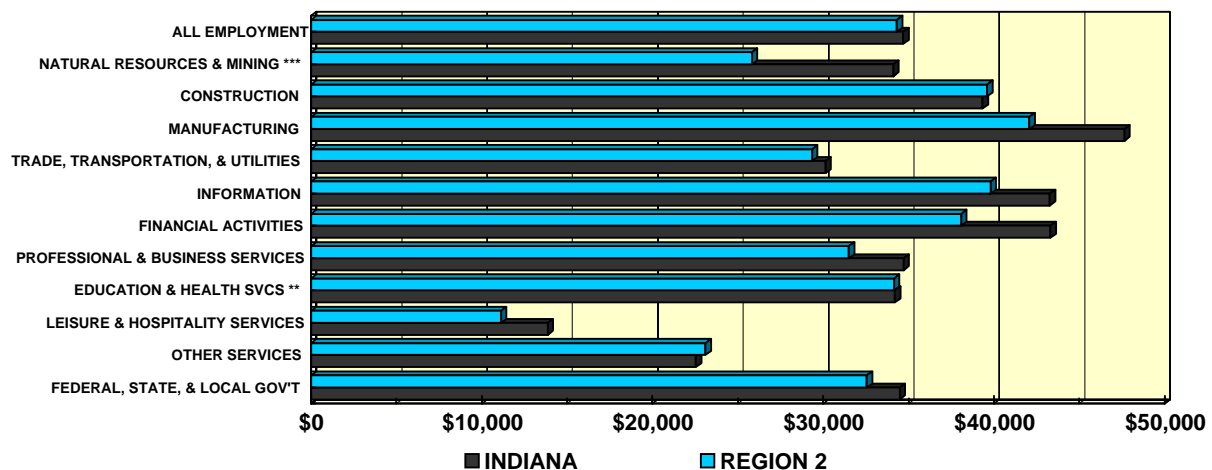
Source: Indiana Department of Workforce Development, Labor Market Information Unit

INDUSTRY EARNINGS

ECONOMIC GROWTH REGION 2 AVERAGE EARNINGS BY INDUSTRY 2001 to 2004

INDUSTRY SECTORS (NAICS)*	REGION 2				2004	
	2001 WAGES	2004 WAGES	CHANGE 2001 to 2004		INDIANA 2004 WAGES	REGION 2 % DIFFERENCE FROM INDIANA
			DOLLARS	PERCENT		
ALL INDUSTRIES **	\$30,555	\$34,314	\$3,759	12.3%	\$34,692	-1.1%
NATURAL RESOURCES & MINING	\$24,230	\$25,837	\$1,607	6.6%	\$34,100	-32.0%
Agriculture, Forestry, Fishing, & Hunting	\$22,476	\$24,636	\$2,160	9.6%	\$25,459	-3.3%
Mining	\$35,544	\$38,584	\$3,040	8.6%	\$49,836	-29.2%
CONSTRUCTION	\$36,477	\$39,599	\$3,122	8.6%	\$39,344	0.6%
MANUFACTURING	\$36,281	\$42,076	\$5,795	16.0%	\$47,638	-13.2%
TRADE, TRANSPORTATION, & UTILITIES	\$25,845	\$29,344	\$3,499	13.5%	\$30,129	-2.7%
Wholesale Trade	\$38,058	\$43,149	\$5,091	13.4%	\$46,109	-6.9%
Retail Trade	\$19,178	\$21,381	\$2,203	11.5%	\$21,447	-0.3%
Transportation & Warehousing	\$32,432	\$36,265	\$3,833	11.8%	\$35,142	3.1%
Utilities	\$57,466	\$59,211	\$1,745	3.0%	\$62,844	-6.1%
INFORMATION	\$33,799	\$39,815	\$6,016	17.8%	\$43,280	-8.7%
FINANCIAL ACTIVITIES	\$32,721	\$38,076	\$5,355	16.4%	\$43,310	-13.7%
Finance & Insurance	\$36,526	\$43,293	\$6,767	18.5%	\$48,406	-11.8%
Real Estate, Rental & Leasing	\$23,460	\$26,048	\$2,588	11.0%	\$28,857	-10.8%
PROFESSIONAL & BUSINESS SERVICES	\$31,577	\$31,508	-\$69	-0.2%	\$34,704	-10.1%
Professional & Technical Services	\$35,963	\$40,181	\$4,218	11.7%	\$45,323	-12.8%
Management of Companies & Enterprises	\$70,738	\$72,929	\$2,191	3.1%	\$66,805	8.4%
Administrative & Waste Services	\$20,108	\$19,363	-\$745	-3.7%	\$22,731	-17.4%
EDUCATION & HEALTH SERVICES **	\$31,488	\$34,146	\$2,658	8.4%	\$34,204	-0.2%
Educational Services **	\$30,925	\$32,823	\$1,898	6.1%	\$33,107	-0.9%
Health Care & Social Assistance **	\$31,980	\$35,318	\$3,338	10.4%	\$34,962	1.0%
LEISURE & HOSPITALITY SERVICES	\$10,709	\$11,124	\$415	3.9%	\$13,873	-24.7%
Arts, Entertainment, & Recreation	\$12,910	\$13,126	\$216	1.7%	\$25,803	-96.6%
Accommodation & Food Services	\$10,464	\$10,893	\$429	4.1%	\$11,572	-6.2%
OTHER SERVICES	\$21,027	\$23,106	\$2,079	9.9%	\$22,548	2.4%
FEDERAL, STATE, & LOCAL GOVERNMENT	\$30,361	\$32,554	\$2,193	7.2%	\$34,478	-5.9%

Region 2 and State of Indiana 2004 Earnings comparison



* NAICS - North American Industry Classification System. ** Includes private and government employment in this industry.

*** Data suppressed due to confidentiality restrictions.

Notes: 1. Industries listed are "private industry" unless otherwise noted. 2. Wage data are annual averages.

Source: Indiana Department of Workforce Development, Labor Market Information Unit

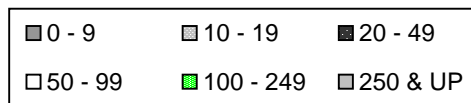
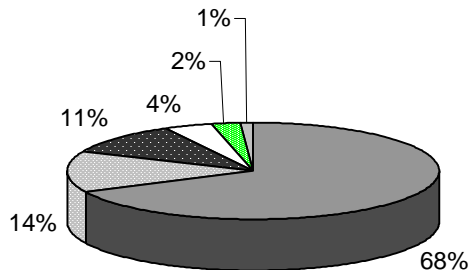
FIRMS & EMPLOYMENT BY SIZE

ECONOMIC GROWTH REGION 2 FIRMS and EMPLOYMENT by SIZE

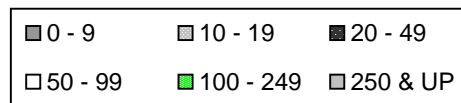
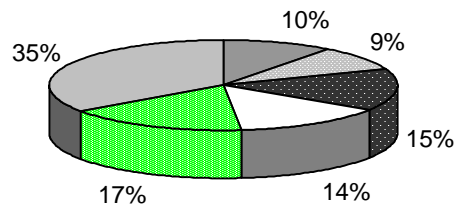
EMPLOYMENT SIZE CLASS	NUMBER of BUSINESS UNITS 1ST QUARTER 2004	EMPLOYMENT by SIZE OF BUSINESS UNIT MARCH 2004
0 - 9	9,599	30,673
10 - 19	1,963	26,708
20 - 49	1,488	44,708
50 - 99	600	41,946
100 - 249	340	50,530
250 & UP	159	104,014
TOTAL	14,149	298,579

Includes Business Units with zero employees and Federal Government Employees.

**BUSINESS UNITS
by SIZE
1st Quarter 2004**



**EMPLOYMENT by BUSINESS
UNIT SIZE
March 2004**



Source: Indiana Department of Workforce Development, Unemployment Insurance Division



DESCRIPTION OF THE NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM

For over sixty years, industry information has been compiled using the Standard Industrial Classification (SIC) system. Since 1993, the industry data tables in this publication were classified by SIC.

Beginning with the 2002 issue of the Highlights report, new industry data tables are based upon the North American Industry Classification System (NAICS).

Developed jointly by the United States, Canada and Mexico to produce comparable data, NAICS was introduced in 1997 to replace the SIC system. Because of its' scope and complexity, the transition to NAICS has taken three years to complete and is now effective beginning with 2001.

NAICS provides a more specific classification system reflecting the economy's changing industrial composition. NAICS focuses on *how* products and services are created, as opposed to the SIC focus on *what* is produced.

This reorganization has created breaks in the industrial classification time series. Even though, for example, the **Manufacturing** industry group is still listed, the current statistical data for **Manufacturing** may not be comparable to what was previously shown.

Example: *An industrial machine company has its employment offices in a separate building. Those workers may now be listed in the **Professional and Business Services** industry under NAICS, rather than in **Manufacturing**.* The same is possible for other industries.

NAICS uses a six digit hierarchical coding system to classify all economic activity. NAICS-United States allows for the identification of 1,170 industries compared to the 1,004 found in the SIC system. NAICS classifications are reviewed every three years. For purposes of this publication we will be classifying economic activities into 11 NAICS 'super sectors' and 15 NAICS sectors.

The following is a listing of the NAICS 'super sectors' we will be using:

Natural Resources & Mining includes agriculture, forestry, fishing, hunting, and mining.

Construction

Manufacturing

Trade, Transportation & Utilities includes wholesale and retail trade, utilities, transportation, and warehousing.

Information includes publishing, motion pictures, sound recording, broadcasting, Internet publishing, telecommunications, ISPs, search portals, data processing, news syndicates, libraries, and archives.

Financial Activities includes finance, insurance, real estate, and rental and leasing.

Professional & Business Services includes professional, scientific, and technical services, management of companies and enterprises, administrative/support, and waste management and remediation services.

Education & Health Services includes educational and health services, health care, and social assistance.

Leisure & Hospitality includes arts, entertainment, recreation, accommodation, and food services.

Other Services includes repair, maintenance, personal, laundry services and religious, grant making, civic, social, and professional organizations and private households.

Federal, State & Local Government includes total government employment.

Economic Growth Regions

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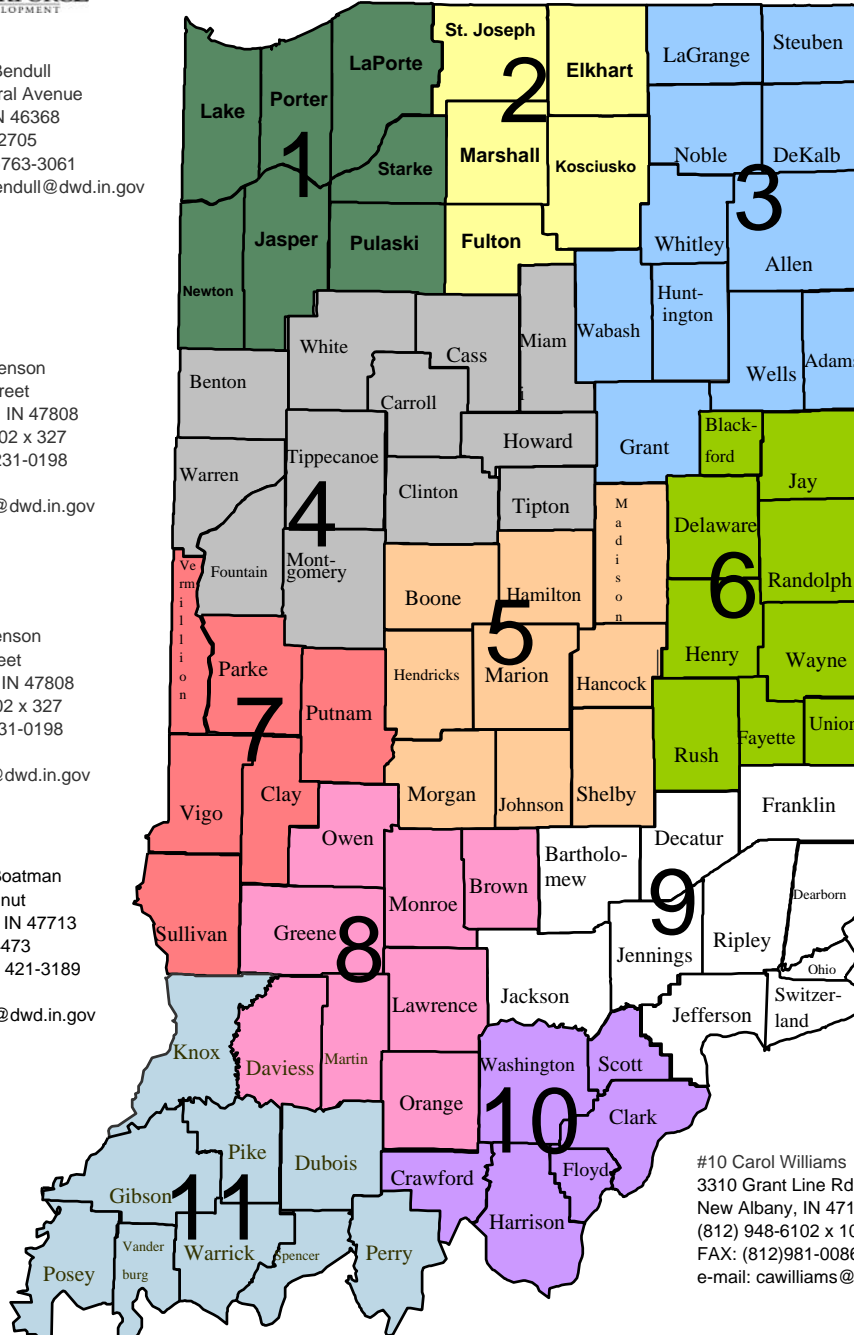
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